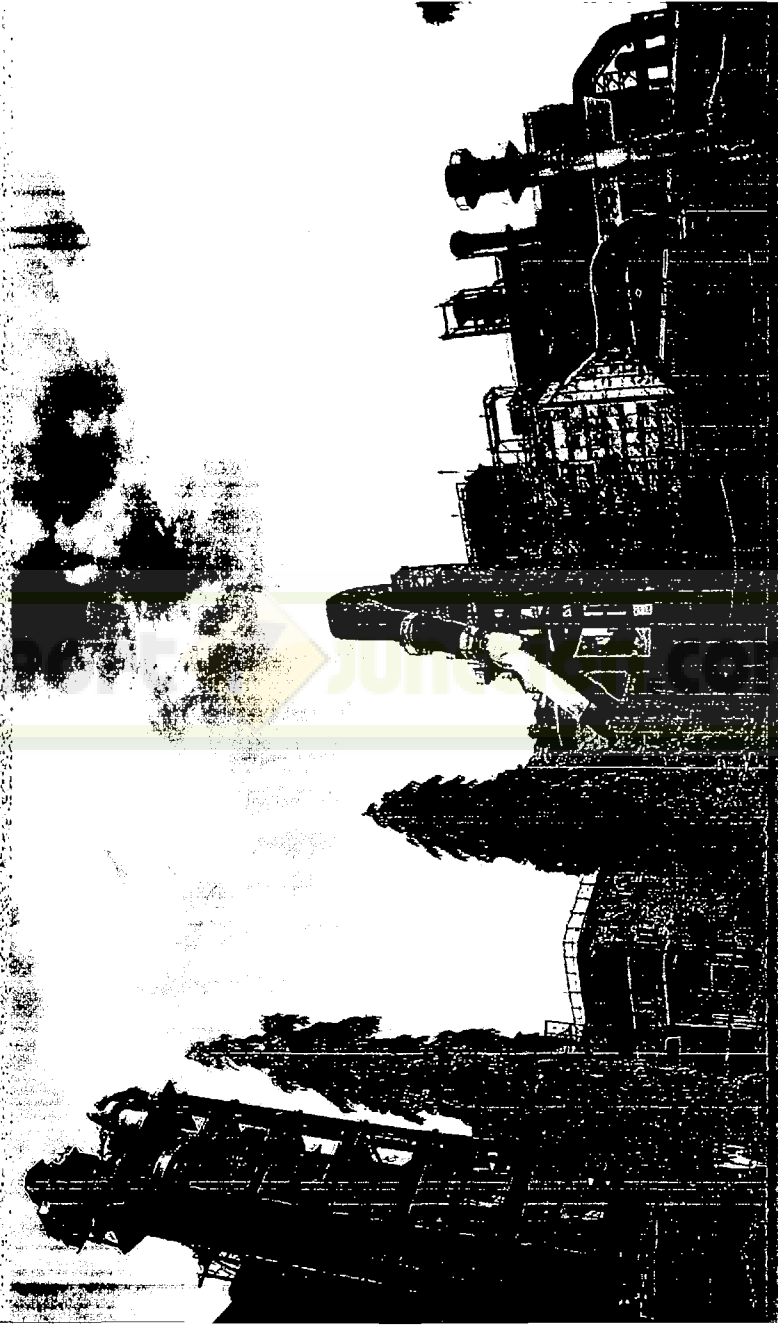


ANNUAL REPORT

2007 - 08



OCL India Limited

ix) Leave

Whole-Time Director shall be entitled to leaves as per rules of the Company.

D) CEILING ON REMUNERATION

The total amount of remuneration of the Whole-Time Director including salary mentioned in Para A above, Commission mentioned in Para B above and monetary value of perquisites mentioned in Para C above shall not exceed the ceiling/s laid down under the Companies Act, 1956 and schedules appended thereto, from time to time.

In case of inadequacy of profits of the Company, payment of any remuneration to the Whole-Time Director shall be subject to compliance with the provisions of Part II, Section II of Schedule XIII to the Companies Act, 1956.

2. OTHER TERMS

- (i) Whole-Time Director shall function as such under the superintendence, control and direction of the Board of the Company.
- (ii) The Whole-Time Director shall not be paid any sitting fee for attending meetings of the Board of Directors or committee thereof during the period he remains Whole-Time Director.
- (iii) The Agreement may, notwithstanding the period of two years mentioned above, be terminated by the Company by giving three months notice in writing or paying three months salary in lieu thereof. The Agreement may be terminated by Whole-Time Director by giving three months' notice in writing.
- (iv) Any dispute or difference whatsoever concerning or arising out of the Agreement whether during the currency or other wise shall be settled by arbitration in accordance with the law relating to for the time being in force.

The above terms may be treated as abstract as per section 302 of the Companies Act, 1956. The Agreement entered into with the Whole Time Director, subject to approval of the shareholders, is available for inspection by the members at Registered Office of the Company on any working day during working hours up to the date of the meeting.

None of the Directors except Shri V. P. Sood is concerned or interested in this resolution.

Item No. 10

In order to bring the Articles of Association of the Company in consonance with the listing agreement requirements and also in view of the fact the Company does not owe any money to the financial institutions, banks, etc. requiring the appointment of nominee directors or incorporation of any special provisions in the Articles of Association of the Company, it is proposed to alter the Articles of Association of the Company by addition/deletion of certain provisions.

As Section 31 requires the approval of shareholders by way of a Special Resolution for alteration in the Articles of Association, the resolution is proposed to be passed as a Special Resolution.

None of the Directors is concerned or interested in this resolution.

ALLOWANCES

The Whole-Time Director shall be paid allowances aggregating to Rs. 73,560/- (Rupees Seventy Three Thousand Five Hundred Sixty only) per month including Children Education Allowance and Personal Allowance plus such increments, from time to time, as may be sanctioned by the Board.

B) COMMISSION

Whole-Time Director shall be paid such amount of commission as may be decided by the Board subject to applicable ceiling/s under the Companies Act, 1956 for the time being in force.

C) PERQUISITES**i) Housing**

The Whole-Time Director may be provided housing accommodation (unfurnished) maintained by the Company with free supply of water for which:

- a) If the accommodation is owned by the Company he will be charged normal license fee as is charged from other employees for similar accommodation.
- b) If the accommodation is taken on hire by the Company (rent payable for the accommodation not to exceed Rs. 20,000/- per month) he will be charged license fee equal to the amount of rent paid/payable by the Company.

ii) Medical Reimbursement

Whole-Time Director shall be reimbursed of actual medical expenses incurred for himself, his wife and dependent children. He and his family shall also be covered under Group Medical Insurance Policy taken by the Company.

iii) Leave Travel Assistance

Whole-Time Director shall be provided leave travel assistance for himself and his family in accordance with the rules of the Company.

iv) Club Fees

Whole-Time Director shall be provided membership fees for clubs as may be approved by the Board from time to time.

v) Personal Accident Insurance

The Whole-Time Director shall be covered under the Group Personal Accident Insurance Policy taken by the Company and the value shall be determined as per rules of the Company.

vi) Company's contribution towards Provident Fund & Superannuation Fund

Company's contribution towards Provident Fund & Superannuation Fund shall be as per rules of the Company.

vii) Gratuity

Whole-Time Director shall be entitled to gratuity @ 8% of a month's basic salary, based on the rate of his basic salary last drawn, for each month of continuous service or part thereof in excess of 15 days.

The Whole-Time Director shall have the option to receive additional pension in lieu of the whole or part of the gratuity amount as per rules of the Company.

viii) Vehicle & Telephone

The Company shall provide car and telephone at the residence of the Whole-Time Director. In case the car is owned by the Whole-Time Director the Company shall reimburse the running and maintenance expenses, including for personal use as per the rules applicable from time to time to Executive Directors.

EXPLANATORY STATEMENT

(Under Section 173 of the Companies Act, 1956)

Item No. 6

Shri Puneet Dalmia was co-opted as additional director of the company with effect from May 15, 2008. He holds office as such upto the date of the ensuing annual general meeting as per section 260 of the Companies Act, 1956. Notice in writing along with a deposit of Rs. 500/- has been received from a member as required under section 257 of the Companies Act, 1956 signifying his intention to propose the candidature of Shri Puneet Dalmia to the office of the Director.

None of the Directors except Shri Puneet Dalmia is concerned or interested in this resolution.

Item No. 7

At the annual general meeting held on 6th June 1969, the shareholders had passed a special resolution for payment of 1% commission to Non Whole Time Directors from the accounting year ended December 31, 1969 and had authorized the Board to divide the commission at its discretion. As per the provisions of Section 309(7) of the Companies Act, 1956, the above resolution is being renewed from time to time for a period of five years at one time. Keeping in view the services rendered by the Non Whole Time Directors, it is proposed to renew the resolution for another five years.

All the Non Whole Time Directors are concerned or interested in this resolution.

Item No. 8

The appointment of Khaitan & Co., New Delhi as Consultant for legal and other matters at a remuneration of Rs. 9,000/- p.m., all inclusive, had come to an end on March 31, 2008. The Board of Directors at its meeting held on May 15, 2008 had considered the aspect of renewal and decided to re-appoint Khaitan & Co., New Delhi for a period of three years at an increased remuneration of Rs. 40,000/- p.m., all inclusive. In terms of Section 314 (1) of the Companies Act, 1956, approval of the shareholders by way of a Special Resolution is required for the said appointment of Khaitan & Co., New Delhi.

None of the Directors except Shri Pradip Kumar Khaitan is concerned or interested in this resolution.

Item No. 9

Shri V. P. Sood was appointed as a Whole Time Director with effect from April 1, 2003 for a period of five (5) years. The Board of Directors at its meeting held on January 25, 2008 had decided to re-appoint him as a Whole Time Director for a period of two years from April 1, 2008 till March 31, 2010, subject to the approval of the shareholders. An agreement in this regard had been entered into between the Company and Shri V. P. Sood.

Shri V. P. Sood holds Masters degree in Social work. He joined the Company on 8th June 1963 and has 45 years of experience. He has rich and varied experience. Taking into account his experience, the Board recommended for his reappointment as Whole Time Director. The main terms and conditions of his appointment are as under:

1. A) SALARY

Basic salary of Rs. 2,35,000/- (Rupees Two Lakh Thirty Five Thousand only) per month plus such increments, from time to time, as may be sanctioned by the Board.

Variable Pay of Rs. 12,00,000/- (Rupees Twelve Lakhs only) payable annually in terms of the policy of the Company and such other amount as may be sanctioned by the Board of Directors from time to time.

HOUSE RENT ALLOWANCE

House rent allowance as may be fixed by the Board from time to time not exceeding 60% of the basic salary if posted at Bombay, Calcutta, Delhi or Madras and 50% of the basic salary if posted elsewhere. In case the accommodation is provided by the Company, the House Rent Allowance shall not exceed the amount charged/able from him as license fee.



Dharmender Nath Davar

He is an eminent professional, a retired banker and ex-chairman of "The Industrial Finance Corporation of India Limited". He has vast, varied and wide experience in Finance, Banking, Corporate Laws, Commercial Activities and management of companies. He had been a part time consultant to the World Bank, United Nations Industrial Development Organisation for several years. He holds directorship in the following companies:

	Directorship in other companies	Membership in committees
1.	Adayar Gate Hotel Limited	
2.	Ahlcon Parenternals (India) Limited	
3.	Ansal Properties & Industries Limited	Chairman - Audit Committee
4.	HEG Limited	Chairman - Audit Committee, Member - Shareholder's Grievance Committee
5.	Hero Honda Finlease Limited	Chairman - Audit Committee
6.	Indo-Continental Hotels & Resorts Limited	
7.	Landmark Property Development Co. Limited	
8.	Maral Overseas Limited	Member - Audit Committee, Member - Shareholder's Grievance Committee
9.	Rajasthan Spinning & Weaving Mills Limited	Member - Audit Committee
10.	Sandhar Technologies Limited	
11.	Sandhar Infosystems Limited	
12.	Titagarh Wagons Limited	Chairman - Audit Committee

He holds Nil shares in the Company

Puneet Dalmia

He holds B. Tech degree from the Indian Institute of Technology, Delhi and is a gold medalist from the Indian Institute of Management, Bangalore in strategy and marketing. He has eleven Years of experience in the industry having started his career as the co-founder and Chairman of one of the most profitable e-recruitment websites in India, JobsAhead.com, which was later acquired by Monster.com, a Nasdaq listed multinational company.

	Directorship in other companies	Membership in committees
1.	Ankita Pratisthan Limited	
2.	Dalmia Cement (Bharat) Limited	
3.	Dalmia Cement Ventures Limited	
4.	Puneet Trading & Investment Co. Pvt. Limited	
5.	Rama Investment Co. Pvt. Ltd.	
6.	ZipAhead.Com Limited	

He holds Nil shares in the Company



substituted:

Unpaid/Unclaimed Dividend

132B. Dividend remained unpaid and/or unclaimed shall be dealt with in accordance with sections 205A, 205B and 205C of the Act as may be amended from time to time and such other provisions of the Act as may be applicable.

No unclaimed or unpaid dividend shall be forfeited by the Board.

(vii) Articles 70A, 92A, 92B, proviso to Article 96, Article 99 (b)(iii), proviso to Article 102, proviso to Article 106, Article 115(A), Article 132A, 132C and Article 139 of the existing Articles of Association shall stand deleted.

RESOLVED FURTHER THAT Shri V. P. Sood, the Whole Time Director and Ms. Rachna Gorla, Company Secretary, be and are hereby authorized to take all steps for giving effect to the resolution."

Place: New Delhi
Dated: July 22, 2008

By Order of the Board of Directors
for **OCL INDIA LIMITED**

Sd/-
(Rachna Gorla)
Company Secretary

NOTES:

- (1) EVERY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HER AND SUCH PROXY NEED NOT BE A MEMBER. The proxies should, however, be deposited at Registered Office of the Company not less than 48 hours before the time of the meeting.
- (2) The Register of Members will remain closed from September 16, 2008 to September 22, 2008 (both days inclusive).
- (3) C B Management Services (P) Limited, P-22 Bondel Road, Kolkata - 700 019 are the Registrars & Share Transfer Agents of the Company to handle share transfers both in physical and electronic segments and other shares related matters. The shareholders are requested to correspond with the Registrars at the above address.
- (4) You are requested to quote Folio number and in case your shares are dematerialized quote your Client ID Number and your DP ID Number in all your correspondence with the Company/Registrars for facilitating quick disposal of the letters.
- (5) Consequent upon insertion of Section 109-A of the Companies Act, 1956, nomination facility is available to the shareholders and Fixed Deposit Holders. Shareholders holding shares in electronic form are required to file their nomination forms with their Depository participants. Shareholders holding shares in physical form can submit their Nomination forms to the Registrars at Kolkata. Nomination forms can be obtained from the Company or its Registrars at Kolkata.
- (6) As per the requirement of Clause No.49 of the listing agreement on Corporate Governance particulars of the Directors, who are eligible to be re-appointed/appointed, are given below:

Sheo Raj Jain

Dr. S. R. Jain is a Mechanical Engineer from Pilani Institute. He is the former Chairman of India's largest steel producing company, i.e., Steel Authority of India. He was also Chairman of Coal India Limited and Heavy Engineering Corporation Limited. He was Managing Director of Bhilai Steel Plant. He has variety of experience in the business arena with specialty in steel and heavy industry. He holds directorship in the following companies:

	Directorship in other companies	Membership in committees
1.	Consteel India (P) Limited	
2.	Neelachal Ispat Nigam Limited	Member - Audit Committee Chairman - Project Committee
3.	OCL Iron and Steel Limited	
4.	Universal Cables Limited	Chairman - Audit Committee

He holds Nil shares in the Company

exercise of an option attached to the debentures issued or loans raised by the Company:

- a) To convert such debentures or loans into shares of the Company; or
- b) To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

Shares at the disposal of the Directors

8E. Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

- (ii) The existing Article 34A of the Articles of Association be deleted and substituted as under:

Transfer of shares

The registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has lien on the shares. Transfer of shares in whatever lot shall not be refused.

- (iii) The following Article 39A be incorporated after existing Article 39:

39A. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

- (iv) At the end of the existing Article 51, the following line shall be incorporated:

"Such lien shall also extend to all bonuses from time to time declared in respect of such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause."

- (v) The following Article 90A be incorporated after existing Article 90:

Terms of issue of Debentures

90A. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special resolution.

- (vi) The existing Article 132B of the Articles of Association be deleted and in its place the following new Article shall be

the Company and Shri V. P. Sood.

FURTHER RESOLVED THAT the Board of Directors including remuneration committee that may be appointed by the Board, be and is hereby authorized to make or accept variations in any of the terms of appointment, provided that such variations shall be within the maximum permissible limit under Schedule XIII of the Companies Act, 1956 or any amendments made hereafter."

(10) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 31 of the Companies Act, 1956, the approval of the Company be and is hereby given to the alteration of the Articles of Association of the Company as under:

- (i) The existing Article 8 of the Articles of Association be deleted and in its place the following new Articles numbered as No. 8A, 8B, 8C, 8D and 8E be substituted immediately after Article 7:

Further Issue of Capital

8A. Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares either out of the unissued capital or out of the increased share capital then:

- a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.
- b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined.
- c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. **PROVIDED THAT** the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
- d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person(s) as they may think, in their sole discretion, fit.

8B. Notwithstanding anything contained in Article 8A, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of Article 8A hereof) in any manner whatsoever.

- a) If a special resolution to that effect is passed by the Company in General Meeting, or
- b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

8C. Nothing in sub-clause (c) of Article 8A shall be deemed;

- a) To extend the time within which the offer should be accepted; or
- b) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

8D. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the



NOTICE TO THE SHAREHOLDERS

Notice is hereby given that Fifty Eighth Annual General Meeting of the Company will be held at the Company's Rest House at Rajgangpur - 770017 (District Sundergarh, Orissa State) on Monday, the 22nd day of September, 2008 at 9.30 a.m. to transact the following business:

ORDINARY BUSINESS:

- (1) To receive and consider the audited Balance Sheet as at 31st March 2008 and Profit and Loss Account for the Financial Year ended on that date and the Reports of the Auditors and the Directors thereon.
- (2) To declare dividend on ordinary Shares.
- (3) To appoint a Director in place of Dr. S. R. Jain who is retiring by rotation and is eligible for re-appointment.
- (4) To appoint a Director in place of Shri D. N. Davar who is retiring by rotation and is eligible for re-appointment.
- (5) To appoint Auditors for the year 2008-2009 to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

- (6) To consider and, if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Puneet Dalmia, who was appointed as an Additional Director in the meeting of the Board of Directors of the Company held on May 15, 2008 and who holds office as such upto the date of Fifty Eighth Annual General Meeting and in respect of whom a notice under Section 257 of the Companies Act, 1956 has been received proposing his candidature for the office of the Director of the Company be and is hereby appointed as a Director of the Company, liable to retire by rotation."

- (7) To consider and, if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED by way of Special Resolution that, pursuant to Section 309(7) of the Companies Act, 1956, approval given at the Annual general Meeting held on June 6, 1969 for payment of commission @1% (one percent) of the net yearly profits of the Company to the non-whole time directors be and is hereby renewed for a further period of five years commencing from the Accounting Year to be ended on March 31, 2009 and that such commission be divided among the Non-Whole Time Directors of the Company in manner to be decided by the Board from time to time."

- (8) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 314(1) of the Companies Act, 1956, Khaitan & Co., New Delhi, in which Shri Pradip Kumar Khaitan, Chairman of the Company, is a partner, be and is hereby appointed as Consultant for legal and other matters for a period of three years with effect from April 1, 2008, at a remuneration of Rs. 40,000/- per month, all inclusive."

- (9) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 198(1), 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the appointment of Shri V. P. Sood as a Whole Time Director of the Company for a period of two years with effect from April 1, 2008 on the terms and conditions as set out in the agreement (a copy of which is placed before the Meeting) entered into between



OCL INDIA LIMITED

Registered Office: Rajgangpur, Dist. Sundergarh, Orissa - 770 017

PROXY FORM

Folio No. No. of shares held

DP ID * CLIENT ID *

I/We of

..... being a member/members of OCL India Limited hereby appoint

..... of or failing
him/her of as

my/our proxy to vote for me/us and on my/our behalf as indicated below at the Fifty Eighth Annual General Meeting of the Company to be held at 9.30 a.m. on Monday, September 22, 2008 and at any adjournment thereof.

Agenda Item No.	Vote in favour #	Vote Against #	Agenda Item No.	Vote in favour #	Vote Against #
1.			6.		
2.			7.		
3.			8.		
4.			9.		
5.					

Signed this day of 2008

Signature

* Applicable for investors holding shares in demat form.

Please Tick (✓)

Note: Proxy form, duly completed, must reach the Company's Registered Office at least 48 hours before the commencement of the Meeting.

Sl. No.

OCL INDIA LIMITED

Registered Office : Rajgangpur, Dist. Sundergarh, Orissa - 770 017

ADMISSION SLIP

Folio No. No. of Shares held

DP ID * CLIENT ID *

NAME OF THE MEMBER/

AUTHORISED REPRESENTATIVE

NAME OF THE PROXY

I hereby record my presence at the 58th Annual General Meeting of the Company being held on Monday, September 22, 2008 at 9.30 A.M. at Company's Rest House at Rajgangpur - 770 017 (District Sundergarh, Orissa State)

Signature of Member/

Authorized Representative

Signature of

the Proxy

* Applicable for investors holding shares in demat form.

Note: A member/proxy/authorized representative wishing to attend the meeting must complete this Admission Slip before coming to Meeting and hand it over at the entrance.